

# HARTFORD BUSINESS JOURNAL

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## CT casinos focus on growing Millennial gaming experience

By Norm Bell

Special to the Hartford Business Journal

**M**ove over Baby Boomers. Connecticut casinos are creating new spaces and embracing new games in an effort to pry open the wallets of Gen Xers and Millennials.

The demographic of aging Baby Boomers signal the necessity for change, executives at both Foxwoods and Mohegan Sun agree. Baby Boomers will remain the heart of the casinos' business for some years to come. But younger generations are not interested in passive games, particularly slot machines, and casinos must find ways to cater to younger tastes.

These younger generations demand

interactive action and more control over the outcome of their wagers, research shows. They also crave different amenities — from new entertainment options to off-site experiences.

One of the casino industry's responses is skill-based games, which made their debut at the recent Global Gaming Expo in Las Vegas. More than 25,000 gaming insiders poked and probed a range of games that look like they had been transplanted from a Dave and Buster's amusement center and fitted for wagering.

There were video auto races and shooter games utilizing the same video game

Continued on page 15



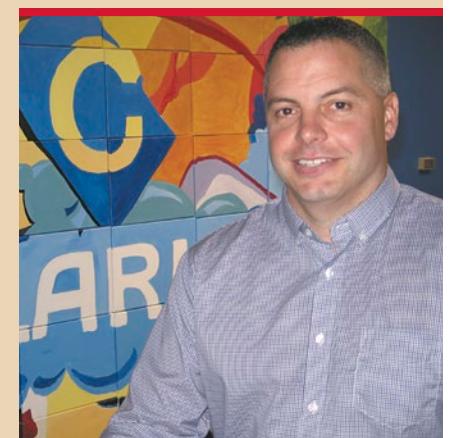
PHOTO | CONTRIBUTED  
Danger Arena is a first-person action game that pays out based on how many robots a player can destroy.



## First-Class Flyer

Cleveland-based Flexjet LLC recently showed off the newest, top of the line midsize business jet in its fleet at Bradley International Airport in Windsor Locks, hoping to whet the appetites of the state's high-net-worth residents and business executives.

PG. 3



## EXECUTIVE PROFILE

### Mr. Nice Guy

Clarus Commerce CEO Tom Caporaso's easygoing management style was influenced, in part, by a health scare in 2001, when doctors found a hole in his heart, forcing him to have open-heart surgery.

PG. 5



Children's Museum Executive Director Michael Werle standing on a parking lot at UConn's West Hartford campus where he wants to build a new facility that could cost \$25 million.

## THE BIG ASK

### Children's Museum future relies on \$25M fundraising effort

By Matt Pilon

[mpilon@HartfordBusiness.com](mailto:mpilon@HartfordBusiness.com)

**A**fter nearly 60 years in a West Hartford building with mounting maintenance expenses and an uncertain lease, leaders of the Children's Museum say they will need to raise about \$25 million over the next seven months to secure the institution's future.

The museum, which last year provided programming to more than 100,000 people in area classrooms and at its Trout Brook Drive home, plans to ask the legislature when it convenes in January to allocate as much as \$15 million in bonding to help it build a larger facility about a mile away, on the West Hartford campus UConn plans to vacate a year from now.

The museum also wants to raise up to \$10 million in private donations.

Executive Director Michael Werle said

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# Fractional ownership jet provider targets CT businesses, wealthy

HBJ PHOTO | JOHN STEARNS



Capt. Jerry Smith (top of stairs) and Kevin Bjorkdahl, sales director, show the Embraer Legacy 450 parked at Signature Flight Support at Bradley International Airport.



PHOTO | CONTRIBUTED

## Some fractional economic considerations

Fractional shares are depreciable assets with lower capital outlay versus whole ownership of an aircraft. With fractional ownership, fixed costs are allocated among owners by their share, effectively reducing overall fixed costs.

Generally, costs to manage a fractional aircraft share (reflected in the monthly management fee and occupied hourly rate) can approximate the costs to manage a whole aircraft for the larger share size purchases (e.g., a quarter-share size).

Fractional aircraft experience increased market value depreciation due to high utilization (e.g., some contracts permit as much as 1,700 hours of annual utilization).

SOURCE: NATIONAL BUSINESS AVIATION ASSOCIATION

By John Stearns

jstearns@HartfordBusiness.com

**A**er Lingus has received most of the attention lately at Bradley International Airport, but it hasn't been the only airliner trying to gain the attention — and business — of Hartford-area travelers.

Cleveland-based Flexjet LLC recently showed off the newest, top of the line midsize business jet in its fleet at Bradley Airport in Windsor Locks, hoping to whet the appetite of the state's high-net-worth individuals and business executives.

Hartford was the second stop on Flexjet's 41-city, coast-to-coast tour hopscotching the U.S. through October.

Flexjet is the first U.S.-based fractional

ownership provider to offer the eight-seat Embraer Legacy 450 business jet, which is "considered to be the most technologically advanced and comfortable aircraft in its class," the company said. In fractional ownership, companies or individuals purchase a fraction (as little as 1/16th share) of an aircraft and receive management and pilot services associated with the aircraft's operation.

Convenience is a big reason businesses and individuals opt for private jets, said Kevin Bjorkdahl, the Stratford-based sales director for Flexjet, which has been flying fractional owners in and out of Bradley since 1995.

The company can access about 5,000 U.S. airports directly from Hartford vs. 31 on commercial carriers, he said.

Flexjet declined to share how many trips it flies out of Hartford or how many owners it has in the region, saying it serves its owners here with regularity and that its travel in and out of Bradley has remained consistent for the past five years.

"Our owner base in the Hartford area is a lower concentration than what we have in the New York area, but these owners tend to be high-utilization customers," Flexjet said.

Connecticut customers typically use the company's light- to mid-sized jets for short business trips — to White Plains, N.Y.; Teterboro, N.J.; Boston; Bedford, Mass.; Montreal; Syracuse; and Chicago to name a few destinations — so they can get home in the evening to be with their families, the company said.

Altogether, Bradley handles more than 20,000 business jet arrivals and departures annually, according to federal statistics.

The Connecticut Airport Authority said corporate traffic seems to be picking up. The National Business Aviation Association (NBAA) said flight hours nationally have rebounded somewhat since nosediving after the Great Recession in 2008.

"The reason for that is that business aviation ... is very closely tied to the economy," said NBAA spokesman Dan Hubbard. "Although there has been some recovery, the flight hours still don't amount to the historic highs from 2007."

Demand for the Legacy 450 has been

Continued ▶

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## Fractional Ownership

strong across the country, Bjorkdahl said, noting that Flexjet is scheduled to take delivery of four more of the planes by the end of the year, among 18 others of various makes and sizes arriving by Dec. 31. It will close 2016 with 52 new jets delivered in 24 months at a cost of about \$1 billion, he said.

"That's where they see the industry headed to is these new aircraft, these new private jets that they feel is the demand of the private-jet owner," Bjorkdahl said.

### Fractional costs

The plane retails for about \$17 million new, with Flexjet selling shares starting at 1/16th of the cost, or about \$1.075 million, Bjorkdahl said. A 1/16th share is 50 hours a year, with the plane's full utilization considered 800 hours a year. In addition, fractional owners pay about \$7,000 per hour for operations, which includes

the flight crew, fuel and other costs.

The Legacy 450 features a cabin 6 feet high and about 7 feet wide, includes seats that can be converted to a flat position for sleeping, and sound-reduction elements for a quieter ride and less passenger fatigue. The plane's range is capable of nonstop coast-to-coast or New York-to-Dublin flights, depending on weather and passenger load.

The aircraft has a cruising speed of 536 mph and typically flies between 41,000 and 45,000 feet.

Capt. Jerry Smith, an 11-year Flexjet pilot with more than 10,000 flying hours who was showing the plane with Bjorkdahl, praised its safety and handling features, including its fly-by-wire (FBW) technology, which replaces conventional manual flight controls with electronic ones.

The Legacy 450 and 500 are the smallest business jets to use fly by wire, according to

the Aircraft Owners and Pilots Association.

"It's just phenomenal how (FBW) works," Smith said.

The Legacy 450 is part of Flexjet's Red Label offering, which the company describes as bridging the gap between traditional fractional programs and whole-aircraft ownership, "providing a premium level of comfort and customization, giving fractional owners the feeling that they are flying on their own plane."

Bjorkdahl said the company's jet use is about evenly split between business and leisure, depending on the region.

Flexjet is owned by Directional Aviation Capital, other holdings of which include Flight Options, Sentient Jet, Skyjet, Nextant Aerospace, N1 Engines and Constant Aviation.

Flexjet says its business aircraft are some of the youngest in the fractional-jet industry, with an average age of about six years. ■

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## EXECUTIVE PROFILE



### Tom Caporaso

CEO, Clarus Commerce, Rocky Hill.

**Highest education:** Bachelor's in marketing, Central Connecticut State University, 1994.

#### Executive insights:

'Managing through fear is not my style. ... I don't think it's that hard to be nice, to have fun, still be challenging, still lead people to growth. ... It's about collaboration, it's about teamwork, it's about learning together and growing together.'

Tom Caporaso stands next to artwork created by staff that depicts various employee activities.

## Caporaso's teamwork mantra spurs growth at Clarus Commerce

By John Stearns

jstearns@HartfordBusiness.com

**T**om Caporaso likes what he sees in the new office for Clarus Commerce, the marketing-technology company that includes its flagship brand, FreeShipping.com.

The open floor plan and spacious Clarus cafe encourage the kind of employee interaction and collaboration he relishes, feeding a company culture of idea-sharing, transparency and teamwork. Clarus moved in March to the single-level space in Rocky Hill from a two-level office in Middletown.

"This is a reflection of the type of environment that we have tried to build over the years—the space has done wonders in six months of just continuing to push the collaboration," Caporaso, CEO, said from the Game of Thrones conference room, one of several named after TV shows.

The office, with bag-like chairs against outer walls, reflects the easygoing style of Caporaso, 44. He wants the nearly 80 employees at Clarus to be comfortable, so shorts, sneakers and T-shirts are acceptable, including for him.

"I don't manage through fear," he said. "I don't think it's that hard... to be nice to people while we're doing great work and while [employees are] staying challenged."

It's a management style influenced, too, by a health scare in 2001, when a hole in Caporaso's heart was discovered, a defect unnoticed since birth. He had open-heart surgery that year, two years after running the Hartford Marathon.

"I think what that taught me is sometimes life is short and you should take advantage of the opportunities in front of you, you should have fun while you're doing it, and a lot of that has kind of weaved into... how I work with the team here," he said.

Clarus' other brands are Return Saver, FreeShipping.com, Travel Plus, ShopSmarter and DeliveryDeals, the latter a UK product similar to FreeShipping.com. FreeShipping.com was the first product for Clarus, which was founded in 2001 by Vin Villano.

"The No. 1 goal of those products is for people that historically shop online: How do we save them money?" Caporaso said.

The sites have a subscription component, which earns subscribers savings across the

web. FreeShipping.com subscribers, for example, get 10 percent off their purchase with 1,500 retailers—"pretty much everybody out there besides Amazon"—free shipping, free returns and a comparison-shopping engine with 100 million-plus SKUs.

Return Saver was developed with FedEx, addressing a market where many retailers charge for return shipping. Return Saver charges an annual \$49 fee for unlimited returns with any retailer.

Clarus also is using its technology platform for its growing "white-label" business, which Caporaso described this way: "We're like Amazon Prime in a box, meaning, if you are a retailer and you looked at Amazon Prime and said, 'Geez, how do I get a program like that?' we will build that for you."

It will be subscription-based, have benefits like shipping, cash back, returns or something else with Clarus building it, powering it, working with the client to acquire customers through their channels and doing all the back-office servicing, he said.

Caporaso took Clarus from one product when he arrived in 2009 as president and COO to a suite of offerings today. He became CEO in 2011 when Villano brought in investors from Silicon Valley, then took a small ownership stake in March when new institutional investors bought out the others and Villano.

Rhiannon Herrmann, senior vice president of product and operations, lauds Caporaso's management, saying he meets with each employee annually—even as staff has grown by nearly 70 since his arrival seven years ago—soliciting feedback and truly listening.

"He actually takes the time to extract from these sessions ideas and suggestions that might make sense to implement," Herrmann said via email.

Caporaso, a sports enthusiast who envisioned being an ESPN anchor before a college marketing class changed his mind, played myriad sports as a youth, club volleyball in college and remains fit.

"I think growing up playing sports has played into how I manage—I truly believe in the team mentality," he said.

He and his wife, Michelle, work as a team at home, too, raising three active children: twin girls, 11, and a son, 9. ■

Check out a video clip of Tom Caporaso's interview at [hartfordbusiness.com](http://hartfordbusiness.com).

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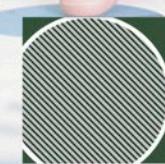
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## BY THE NUMBERS

\$15.9B

The net worth of Connecticut's richest resident, Ray Dalio, who runs Westport hedge fund, Bridgewater Associates.

\$260,000

The median sales price of a Connecticut single-family home sold in August, according to the Warren Group.

\$10B

The price tag of U.S. Rep. John Larson's ambitious plan to build two tunnels to replace portions of I-84 and I-91 running through Hartford.

10.35%

The percentage of Hartford residents who don't have health insurance, according to a new analysis from WalletHub.

## TOP 5 MOST READ

on HartfordBusiness.com

- Forbes 400 includes eight CT billionaires
- AAA Northeast digs in heels on decision to stop licensing services
- CT, RBS ink \$120M subprime settlement
- Cabela's being sold to Bass Pro Shops
- ConnectiCare opening retail centers for CT customers

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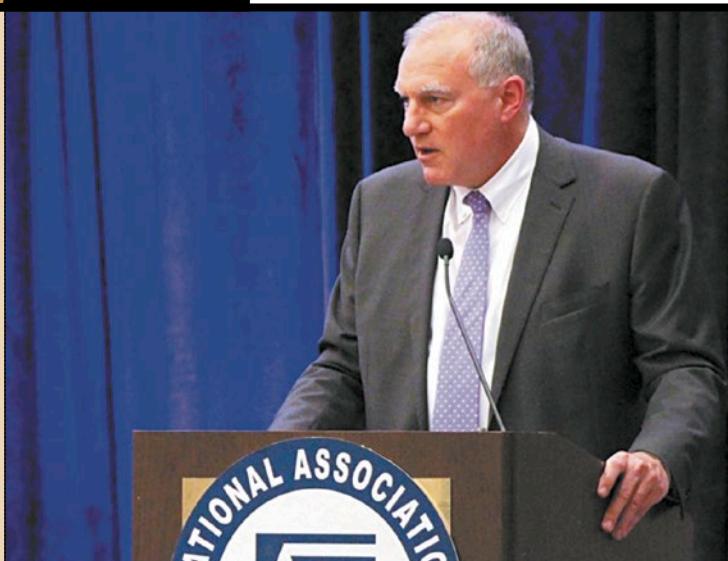


PHOTO | CONTRIBUTED

State Attorney General George P. Jepsen.

## TOP STORY

## CT, RBS ink \$120M subprime settlement

Connecticut will collect \$120 million from one of the largest underwriters of securities that were at the root of the nation's subprime mortgage-lending debacle — the largest settlement in state history, authorities say.

State Attorney General George P. Jepsen and state Banking Commissioner Jorge L. Perez announced the settlement last week with RBS Securities Inc., stemming from Connecticut's probe into RBS's underwriting of residential mortgage-backed securities in the lead-up to the 2008 financial crisis.

Those securities, a type of investment product, were backed by the mortgage payments of thousands of homeowners, state investigators said. Investors in these securities are entitled to the cash flows — the interest and principal payments — from the underlying mortgage loans.

Prior to the 2008 financial crisis, these securities were backed by thousands of subprime loans that homeowners could not pay back when home prices collapsed and the recession took hold.

According to state investigators, from Jan. 2005 to Dec. 2008, RBS led underwriting for some 250 residential mortgage-backed securities deals valued at \$250 billion. As lead underwriter, RBS was required to conduct due diligence on the pools of residential-mortgage loans that collateralized its RMBS (residential mortgage-backed securities) deals, investigators said.

But Connecticut investigators said their probe ultimately determined that RBS's vetting of those deals was inadequate to the point that its due diligence failed to uncover mortgages that shouldn't have been included in the securities pools.

After subtracting \$250,000 to send the banking department for financial education and training and a financial literacy program, the \$119.75 million balance will be remitted to the state's General Fund, authorities said.

## SMALL BUSINESS

## Relocation, expansion in E. Windsor brewery's future

The Broad Brook Brewing Company, which opened in East Windsor in 2013, becoming that town's first brewery, plans to move operations to Suffield, where its owners want to build a newer, bigger brewery.

That's according to an application filed last month with the Suffield Planning and Zoning Commission, where the brewery's owners are seeking a special permit to build a 12,000-square-foot brewery on a 2-acre lot in the Mach One Industrial Park off of Route 75 in Suffield.

According to a statement of purpose filed with the application, the brewery's owners stated that in the three years since they opened at 2 North Road in the Broad Brook section of East Windsor, they've reached capacity and want to expand.

But another reason why the owners decided to move out of East Windsor could have been friction with town officials.

— Matthew P. Knox and Anthony Branciforte | Journal Inquirer

## HEALTH CARE

## Thousands in CT eligible for tax credits through insurance exchange

A new federal analysis shows 15,000 Connecticut residents now buying individual health coverage outside of the state exchange may be eligible for Affordable Care Act premium tax credits in 2017.

Since the Affordable Care Act became law, millions of Americans gained or paid less for coverage using premium tax credits available through the Health Insurance Marketplace, or state exchanges like Access Health CT.

The U.S. Department of Health and Human Services (HHS) released data showing that 15,000 Connecticut residents who currently purchase "off-marketplace" individual coverage may qualify for tax credits if they shop for 2017 coverage through the state exchange.

## Prospect completes acquisition of ECHN; names interim CEO for Karl

Prospect Medical Holdings Inc. has completed its acquisition of Eastern Connecticut Health Network (ECHN), which Prospect said helps ensure the community healthcare system's future.

Michael Collins was named interim CEO to replace ECHN's former president and CEO Peter Karl, who resigned effective Sept. 30 for health reasons. Karl had been arrested for DUI earlier in September.

Collins, a senior healthcare executive with more than 20 years of experience in hospital leadership roles, has been serving as chief integration officer for Prospect at ECHN for the past seven months.

The transfer of ownership of ECHN, holdings of which include Manchester Memorial and Rockville General hospitals, follows the receipt of all regulatory approvals by the for-profit Prospect, based in Los Angeles. Prospect paid \$105 million for ECHN and plans to spend \$75 million in capital improvements on those facilities over the next five years.

## ECONOMIC DEVELOPMENT &amp; CONSTRUCTION

## CCM: CT's distressed cities bear larger burdens

Bearing some of the heaviest burdens in Connecticut, the cities of Hartford, Bridgeport, New Haven and Waterbury must be strengthened as economic hubs, according to a report by the Connecticut Conference of Municipalities.

As four of the largest cities in the state, the four metropolitan areas are also the poorest, dealing with higher poverty rates, education disparities, revenue challenges, and increased crime rates.

At the same time, as supports to their surrounding communities, their success is "crucial to the success of the state as a whole," according to the CCM Candidate Bulletin September 2016 entitled "Large Cities: Disproportionate Burden."

Statistics paint a striking portrait of the challenges. Poverty rates are at least twice as high for these cities as compared with the state as a whole, while more than half of the state's homeless can be found there. Their unemployment rates exceed the state average of 5.9 percent in every case: Hartford is at 11 percent.

The cities also have higher mill rates than the 18.81 average for the state.

## \$5M in brownfield redevelopment grants available

The Connecticut Department of Economic and Community Development (DECD) is accepting applications for \$5 million in competitive grants to remediate and redevelop brownfield sites.

Since 2012, the state has invested \$173 million to investigate, clean up and revitalize more than 100 old or vacant factories, mills, warehouses and other contaminated sites and structures.

The funding will be made available under the Connecticut Brownfield Remediation Program. Municipalities and economic development agencies are eligible.

Awards may be used for a range of brownfield assessment, remediation and redevelopment activities, including abatement, demolition, site investigation and assessment and more. Applications are due Nov. 16.

## ECONOMY &amp; LABOR

## Forbes 400 includes eight CT billionaires

Five Connecticut men and three women are named on the 35th annual Forbes list of the 400 wealthiest people in the country.

These 400 wealthiest people have a record-breaking, combined total net worth of \$2.4 trillion, according to Forbes. The minimum net worth needed to make this year's list remains at \$1.7 billion.

Connecticut's eight individuals, with their rank and net worth are: Ray Dalio, 25th, \$15.9 billion; Steve Cohen, 31st, \$13 billion; Paul Tudor Jones, 120th, \$4.6 billion; Karen Pritzker, 131st, \$4.3 billion; Stephen Mandel, 274th, \$2.5 billion; Peter Buck, 290th, \$2.4 billion; Alexandra Daitch and Lucy Stitzer tied at 374th with \$1.8 billion each.

## GOVERNMENT, POLITICS &amp; LAW

## \$1.8M OK'd to cut wait times at DMV contact center

Connecticut's Bond Commission has approved \$1.8 million in modernizations for the Connecticut Department of Motor Vehicles' (DMV) outdated customer-contact center.

The objective of the upgrades is to improve convenience and timely service for customers, including reducing wait times on telephone calls, said Gov. Dannel P. Malloy.

The technology in use now was last updated in 1993 and annually leaves several hundred thousand telephone callers stranded and unable to get through to a DMV agent because of the system's limited capacity.

The new, upgraded system will give customers the option to complete registration renewals over the telephone and get calls back instead of waiting in line.



Building the Manufacturing Simulation Center in Storrs.

## MANUFACTURING

### UConn to launch CT Manufacturing Simulation Center

UConn, working with the U.S. Economic Development Administration and Connecticut Innovations, is creating a center to share computer-modeling facilities and expertise with Connecticut manufacturers.

The goal is to help companies using the facility create products faster and more efficiently.

A \$2.1 million combined investment over five years will create the Connecticut Manufacturing Simulation Center, or CMSC, which will give small and medium-sized Connecticut companies access to resources for computational design, modeling and simulation, as well as high-performance computing hardware.

By using computer models to test and modify new product designs and manufacturing processes virtually before making a physical prototype, almost all manufacturing companies can lower their design and manufacturing costs, said UConn Engineering Dean Kazem Kazerounian.

The CMSC — to be housed within UConn's new Tech Park, with the first building scheduled for completion next year — will work on a subscription model, giving businesses access to modeling technology for a fraction of the cost of installing a similar high-performance computing system.

## REAL ESTATE

### Warren survey stamps CT's rosy housing picture

Connecticut's single-family home sales rose 12 percent in August to their highest in nearly a decade, validating state Realtors' earlier report tracking a similar spike in sales.

There were 3,698 one-family dwellings sold in August vs. 3,303 closings the same month last year, The Warren Group, Boston publisher of The Commercial Record, said.

August was the highest home-sales month in this state this year since June, and the highest monthly total since Aug. 2007, The Warren Group said.

Year-to-date, sales were up 10.2 percent with 21,320 closings vs. 19,338 during the same timeframe a year ago, it said.

The median price of a single-family home rose 1.9 percent in August to \$260,000 vs. \$255,000 a year ago. The median sale price remains unchanged from last month. Year-to-date, prices have fallen by 0.5 percent, to \$249,000 vs. \$250,255 during the same time a year ago.

## TRANSPORTATION

### Rail, bus ticket hikes coming in December

Rail and bus fare price hikes go into effect in December, following six public hearings around Connecticut.

Starting Dec. 1, train fares will increase by 6 percent, including a previously approved 1 percent increase, state Department of Transportation Commissioner James P. Redeker said.

Starting Dec. 4, bus fares will go up 16.7 percent, or 25 cents on a single one-way CTtransit bus trip.

The fare increases are intended to sustain budget requirements and maintain bus and rail service statewide, Redeker said.

## WHAT'S AHEAD:

### ■ 10/17 Focus: Transportation/Construction

#### ■ The List: Bradley Flight lists

#### ■ Nonprofit Profile: Billings Forge

## CALENDAR

OCT. 26-27

### Geno Auriemma UConn Leadership Conference



Geno Auriemma

The Geno Auriemma UConn Leadership Conference will take place Oct. 26 and 27 at the Mohegan Sun Convention Center in Uncasville, providing participants the opportunity to hear from prominent business executives, thought leaders, academic experts and their industry peers.

The speakers and panelists will share best practices in an intimate setting designed for high levels of interaction, learning and sharing. Breakout sessions will be divided by industry

allowing participants the opportunity to examine strategy and approaches necessary to lead, motivate, and inspire top performance from everyone in their workforce.

Speakers will include: Lisa Borders, president, Women's National Basketball Association (WNBA); George Aylward, president and CEO, Virtus Investment Partners; Joseph Papa, CEO and chairman, Valeant Pharmaceuticals International Inc., among others.

Cost to attend is: \$1,495 for UConn alumni; \$1,695 for non-alumni.

For more information or to register go to: <http://genoleads.uconn.edu/>.



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# Middletown digital retail marketer's interactive experiences boost top brands

By Patricia Daddona

paddona@HartfordBusiness.com

**W**hen Wearsafe co-founder David B. Benoit decided this spring to market his startup's mobile app-enabled panic button, a friend's recommendation led him to Middletown-based Reality Interactive.

Benoit says he has stuck with the 12-year-old digital retail marketer over the past few months because Reality Interactive has been able to connect consumers to the interactive tools that effectively promote Wearsafe's business.

In building an inviting website for Wearsafe, Reality Interactive made sure not only that business could be transacted online, but that the company's product and services — which can alert family and friends about an individual's personal safety — are succinctly described, Benoit said.

Reality Interactive also built Wearsafe an interactive trade show booth that included five mobile devices, an LCD screen and more. So instead of just talking about the product with company representatives at the booth, consumers got to try out the product and "experience it firsthand," Benoit said.

"The value to us is their creativity," Benoit said, "but more importantly, their ability to understand our product, the magnitude of what our product can do, very quickly."

Reality Interactive President and co-founder Craig Martin and Chief Technology Officer Bryson Hyte launched the company from their respective basements in 2004, and the business evolved from a dozen employees through 2008-09 to 34 today, Martin said.

In 2003-04, at the end of the dot-com era, Martin said, he felt strongly that digital marketing would blossom, particularly in the retail and automotive arenas, so the duo pursued both.

Wearsafe has an ongoing contract with Reality Interactive, while customers like BMW have been clients for more than a decade, Martin said.

Originally, Martin and Hyte started the company in conjunction with an existing video



Craig Martin, President and co-founder, Reality Interactive

Bryson Hyte, Chief Technology Officer, Reality Interactive



The operational success of Time Warner Cable's flagship retail store in New York City is a by-product of a "Retail Rugged" standard created and applied by Middletown-based Reality Interactive. The standard ensures that interactive technology holds up in a retail environment.

PHOTOS: REALITY INTERACTIVE

production firm in New York City called Reality Pictures. That firm provided some client connections and a small amount of capital. In 2005, Reality Interactive bought out Reality Pictures' stake and paid back the funding, adopting the "Reality Interactive" name, Martin said.

The company has since developed a process it dubs "Retail Rugged" to describe its approach to ensuring that technology — be it websites or kiosks — works consistently day to day for its clients, overcoming any obstacles like online access glitches, outages and more. The Retail Rugged standard, which has been trademarked, includes a test — a 92-point check list — to make sure the installation of any technology is fit for the hectic retail environment.

The list Reality Interactive scrutinizes for each client covers everything from automatically restoring power after an outage to locking down a user interface for security purposes or hardening systems for the unattended retail environment of online transactions, he said.

One customer is Time Warner Cable, which recently approached Reality Interactive

about wanting to transform its 400 payment centers, which they described, Martin said, as an unappealing cross between the DMV and a check-cashing facility.

"They figured they had a million customers a month coming in and wanted [them] to have a positive experience," he said.

Time Warner had created a prototype store to solve the problem, but it was costly and unreliable. Reality Interactive worked as part of a team to redesign the prototype store and "scale" it so that it could be rolled out to many locations, reducing costs and improving reliability along the way, Martin said.

Using the "retail-rugged" approach helped with installing large format screens on walls, interactive work stations and other user-friendly features for customers so they'd work seamlessly, he said.

"We create retail-rugged deployments that work on day one and exactly the same on day 1,000," Martin said. "We design systems that are efficient and maintainable for the life of the fixture and the program."

That makes clients' fees of anywhere from \$15,000 to \$250,000 "affordable" because value is sustained over time, he said.

Reality Interactive has no plans to move out of Connecticut, but the high cost of living and scarcity of talent willing to put down roots here are problems the company continues to face.

With 16 awards to its credit in the last two years, and three consecutive awards from the Marcum Tech Top 40, however, growth is not a static condition. In fact, the next phase will focus on analytics.

Benoit said Reality Interactive's ability to help Wearsafe demonstrate its product at events through its interactive trade show booth has been effective. Educating consumers that just having a mobile phone isn't enough for personal security can be difficult, he said.

At the booth, a potential customer "can set off [distress] alerts and experience what it's like to use the product," he explained, "so you very quickly understand the power of Wearsafe to respond to someone in a time of need and coordinate an immediate response."

## THE LIST

### Telecommunications providers in CT

(Ranked by number of CT employees as of Aug. 2016)

Rank	Company	Headquarters	CT employees/ CT customers	Products and services	Top executive/ Title	Year founded
1	<b>Frontier Communications</b> 310 Orange St. New Haven, CT 06510 203-771-3232; <a href="http://www.frontier.com">www.frontier.com</a>	Norwalk, CT	3,000 652,000	Vantage TV, Internet and voice; broadband, video, wireless Internet data access; digital protection, solutions and equipment for small, medium and enterprise businesses	Dan McCarthy President & CEO Ken Arndt President, Frontier Communications East Region (CT, OH, NY, PA & WV) Paul Quick President & CT general manager	1935
2	<b>Comcast Western New England Region</b> 222 New Park Drive Berlin, CT 06037 860-505-3399; <a href="http://www.comcastcorporation.com">www.comcastcorporation.com</a>	Philadelphia, PA	1,473 DND	Comcast Cable video, high-speed Internet and phone services; NBCUniversal news, entertainment and sports cable networks	Michael Parker Sr. vice president, Western New England Region	1963
3	<b>Verizon Wireless</b> P.O. Box 5029 Wallingford, CT 06492 800-922-0204; <a href="http://www.verizonwireless.com">www.verizonwireless.com</a>	Basking Ridge, NJ	1,400 (1) DND	4G LTE network, other technology and device offerings	Christine Berberich President, New England Region	2000
4	<b>Charter Communications Inc.</b> 400 Atlantic St. Stamford, CT 06901 203-905-7800; <a href="http://www.charter.com">www.charter.com</a>	Stamford, CT	851 DND	Spectrum TV, Internet and voice; Spectrum business; Spectrum Reach advertising and promotional solutions	Thomas M. Rutledge President & CEO	1993
5	<b>Cox Communications</b> 170 Utopia Road Manchester, CT 06042 860-468-5106; <a href="http://www.cox.com">www.cox.com</a>	Atlanta, GA	204 DND	Nationwide network, broadband communications and entertainment, digital video, Internet, telephone and home security and automation services	Jay Allbaugh Senior vice president & regional manager	1962

Source: Each company via survey.  
Notes: Unable to confirm data for Rocky Hill's Sprint office; 160 CT employees were reported in 2015. AT&T declined to participate in this year's survey; its CT wireline business was sold to Frontier Communications in 2015. DND = did not disclose.

(1) Data from 2015 survey.

—Compiled by Stephanie R. Meagher.

To view the full list, please visit [HartfordBusiness.com](http://HartfordBusiness.com)

## Business Profiles

## HARTFORD BUSINESS JOURNAL



PHOTO / J. FIERECK PHOTOGRAPHY

Above: Members of the ADNET team attending the WorkSmart Hartford 2016 conference. At right: Christopher J. Luise, Executive Vice President (left) and Edward D. Laprade, President & CEO.



## 25 Years as the IT Partner of Choice and the Best Place to Work

1991 was an exciting year for information technology. The World Wide Web made its debut, Apple released its groundbreaking PowerBook with a whopping 8 Megabytes of RAM and the newly available Motorola "Brick Phone" joined the "Bag Phone" in a line of devices making mobile communication a reality.

Businesses needed help understanding how to use emerging technology, and Edward Laprade and Christopher Luise, recognizing a need in the local market, co-founded ADNET Technologies. "We wanted to create a different kind of IT services firm to serve small to mid-sized companies who needed ongoing support as well as strategic guidance in deploying IT solutions.

two recessions, a financial market collapse, the dot com bust and Y2K by practicing financially responsible leadership and keeping an unrelenting focus on its core mission. The firm continues to expand its services and is now operating a second location in Albany, New York, following its 2015 acquisition of SAGE Computer Associates. Recently, ADNET was recognized as one of the MARCUM Tech Top 40 companies in Connecticut in the IT Services category.

While striving to be the partner of choice for its clients, ADNET's vision is also to be one of the best places to work for its employees. In 2014, the company participated for the first time in the Best Places to Work in Connecticut survey, and was proud to be named to the list. Laprade says, "The award is really just a bonus for us. The feedback we receive from our employees is what we value most. The things people bring up in this survey drive the decisions we make each year." ADNET was also named to the list in 2015 and 2016.

"Maintaining an award-winning culture means putting our employees first," says Luise. "We need to make sure that people are growing and

that they feel engaged and excited. We work hard, but we have fun too. We try to unite the team around a common purpose so everyone knows how they have an impact. Once we do that, our clients' experience is second to none."

Laprade and Luise say the firm is preparing for even more growth in the coming years. "There has never been a more exciting time in the technology industry," says Luise. "We're so proud to be celebrating our 25th anniversary with our clients and our wonderful team." "Those relationships are our biggest success," adds Laprade. "Without them, we wouldn't be here."

*From the beginning, we've grown by listening to what our clients need. We're passionate about technology, but more importantly, we're invested in our clients.*

*We want them to trust that we'll always do the right thing for them.*

— Christopher J. Luise, Executive Vice President, ADNET

Those organizations could find technical support easily enough, but the business services provided by large consulting firms were typically out of their reach. ADNET could offer them both," says Laprade, President & CEO.

"From the beginning, we've grown by listening to what our clients need," says Luise, Executive Vice President. "We're passionate about technology, but more importantly, we're invested in our clients. We want them to trust that we'll always do the right thing for them."

Over the past 25 years, ADNET has maintained its positive growth through challenging times that included

### ADNET Technologies

#### Locations:

312 Farmington Avenue, Farmington, CT 06032  
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3 Washington Square, Albany, NY 12205  
(518) 458-9300

**Website:** [www.thinkADNET.com](http://www.thinkADNET.com)

**Twitter:** @ADNETTech

**Facebook:** ADNET Technologies CT;  
ADNET Technologies NY

**No. of Employees:** 48

**Top Executives:** Edward D. Laprade, President & CEO;  
Christopher J. Luise, Executive Vice President;  
Jeffrey Cohn, Principal

**Product or Service:** Managed IT Services, Security & Compliance Services, Strategic Advisory Services, Application Development Services

**Year Founded:** 1991



# Nonprofits, municipalities, schools need to protect against cyberattacks

By Jeffrey I. Ziplow

It has become an increasingly common occurrence to see data breaches at large multinational corporations that have put consumer's personal information at risk. In recent years businesses such as Anthem, Sony and Target have all been thrown into crisis thanks to hackers breaking into their systems, gaining access to protected information and causing widespread panic.

Businesses have responded, as they should, by beefing up their security systems and putting new mechanisms in place to prevent those who wish to do harm from doing so, and in many instances the added measures have greatly improved security and given consumers peace of mind.

But there are other areas besides businesses that continue to be at risk. Municipalities, school districts and nonprofits all store large amounts of vital personal information and, unlike with businesses, it's not just financial information that could be at risk. There is a large amount of personal information — social security numbers, health records, etc. — and other information from additional compliance standards that need protection.

The good news is that municipalities,

school districts and nonprofits do not have to live in fear that their information is vulnerable, nor do they need to feel unprepared for a cyberattack. Clearly the best way to alleviate these concerns is to put in place comprehensive cybersecurity measures that will keep the would-be thieves out and the information safe.

The only caveat is municipalities, school districts and nonprofits can't wait for a breach to occur, they need to act immediately to put the right preventive mechanisms in place, before those who seek to disrupt and cause chaos get their chance.

So what can be done to prevent a cyberattack? There are plenty of measures that can and should be put into place.

It begins with an initial technology risk assessment, where it is determined exactly what information asset(s) a municipality, school or nonprofit has and then where the vulnerable areas are. A thorough inventory of all security systems will provide the roadmap

needed to get secure information, and once it is complete, the entity will have an understanding of what security protocols are working and what needs to be strengthened.

From here, security checkups can be routinely administered, followed by the implementation of protocols to reduce the risk of attack and then even a simulated attack — think of it as a "test run" or a fire drill — to see how these new systems are working. Advanced testing can also be considered, such as wireless security, phishing assessments and penetration tests, as well as a complete organization-wide update on the latest in malware and ransomware viruses.

One critical step that has worked for businesses and can work equally well for municipalities, school districts and nonprofits is data encryption. This technology is basically a tool that scrambles information so that it can only be read by someone who knows the encryption key and otherwise becomes utterly worthless to people looking to steal it.

The key is identifying where the critical information exists and figuring out ways to encrypt it so that it cannot be used by outside parties. While this has now become commonplace in the business world, public and nonprofit entities are not quite as far along in implementation, which adds to the urgency.

Cybersecurity is a global concern today, and with good reason — cyberattacks occur tens of thousands of times a day across the nation and the world. While the question once was, "Could we be attacked?" it has now become more ominous, "When are we going to be attacked?" And in some cases, the attacks have already happened, or are imminent. But the risk-reduction measures already put into place in the business world need to be incorporated into municipalities, school and nonprofits and work with equal effectiveness.

Times have changed and our public and nonprofit entities need to change with them. While many people may prefer not to think about it, their personal information is more at risk than ever to outside attack; it is no longer just a paper form sitting in a locked file somewhere, but rather digital information that without proper security can be stolen and shared worldwide before the victim is even aware.

Much like businesses have done in recent years, municipalities, schools and nonprofits can take swift, responsible action to protect highly sensitive and personal information. ■

*Jeffrey I. Ziplow is a partner with West Hartford accounting and consulting firm BlumShapiro.*



Jeffrey I. Ziplow



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## CT gets on board with e-pay cards

Connecticut employers whose workers lack access to traditional deposit-banking and check-cashing services now have a paperless, electronic option to offer.

Effective among a passel of state laws starting Oct. 1, Connecticut joined a long list of other states with its provision allowing employers to pay workers via a prepaid money card akin to an automated teller machine (ATM), debit or credit card.

Doing so makes it, observers say, more convenient for thousands of Connecticut residents who regularly relied on costly check-cashing services to convert their paper paychecks to cash.

"It seems to be the evolution in the way banking and transactions are handled," said attorney James Leva, an employment litigator at law firm Day Pitney LLC.

Visa was among various labor, electronic-payment organizations and other groups that submitted supporting testimony for the Connecticut measure. Visa cited data from NACHA, an electronic payments organization, that employers can save about \$3 per salary payment using electronic-payment methods. Visa also cited a federal bank regulator's data



PHOTO | CNN

that almost 4 million paychecks are lost or stolen annually, costing them \$8 to \$10 per check.

"Employers have told us that it is less expensive for them to issue the cards than to issue checks," state Labor Department's Wage and Workplace Standards Division Director Resa Spaziani said via email.

For workers, the prepaid salary cards offer convenience and savings, but safety, too, experts say. They can use their salary to electronically pay their rent or other bills — just as bank debit-cardholders do — shop for food and clothing, or make cash withdrawals at ATMs.

The state Labor Department stresses that the prepaid salary card option is strictly voluntary for employers and their workers. The measure also limits the amount of fees imposed on employees who enroll.

— Gregory Seay

## Vernon's Tri-City Plaza seeks to extend \$40M loan



PHOTO | CONTRIBUTED

A \$40 million mortgage secured with Vernon's Tri-City Plaza Shopping Center has landed in special servicing just weeks before it matures, while the borrower seeks a payment extension, a commercial-realty loan tracker says.

Borrower Tri City Improvements LLC, of Tarrytown, N.Y., took out the 10-year, interest-only mortgage in 2006 from Citigroup, according to New York City-based loan tracker Trepp LLC. The loan bears a 5.93 percent interest rate.

Nothing in Trepp's records indicate the loan is in default. However, special servicing typically is one step removed from such an occurrence.

Trepp data shows the debtor pledged the 295,367-square-foot retail plaza on 24 acres at 35 Talcottville Road, adjacent to I-84, as security for the loan, which was set to mature in October.

Tri-City opened in 1963 and underwent renovation in 2004.

Its tenants include Price Chopper

Supermarket, Hartford HealthCare, Hartford Freight Tools, Moe's Southwest Grill and T.J. Maxx.

As of 2015, Vernon's assessed value of the land beneath Tri-City was \$5 million, while the improvements were valued at \$20 million, according to Trepp's data. Based on those values, the borrower remits \$981,806 annually in property taxes to the town.

Tri-City's operator, DLC Management Corp., did not respond to a request for comment.

Special servicer C-III Asset Management LLC could not be reached for comment.

— Gregory Seay

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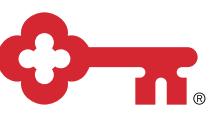


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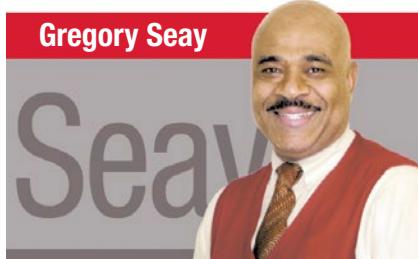
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## DEAL WATCH

# Hartford's Gillett Manor apts. sold for \$2.4M

Gregory Seay



Gillett Manor, 50 Gillett St., Hartford.

The 43-unit Gillett Manor apartments in Hartford's Asylum Hill neighborhood has sold for \$2.4 million, brokers say.

Haveland Windsor LLC sold the property at 50 Gillett St., which also includes an abutting residential property at 17 Marshall St., according to New Haven commercial broker Marcus & Millichap, which represented the seller and brought buyer W Realty NY to the deal table.

Built in 1965, Gillett Manor consists of two brick buildings on separate parcels one block from St. Francis Hospital and in the vicinity of headquarters for insurers Aetna and The Hartford, and UConn Law School.

### \$255K Wallingford sale

A mixed-use commercial building in Wallingford's center recently found a buyer who paid \$255,000, brokers say.

Dental surgeon Lawrence Singer purchased the approximately 3,350-square-foot building at 33 Fair St. from Amy Stephanowski, according to seller's Rocky Hill broker O,R&L Commercial LLC.

The building has medical-office space on the first floor and residential apartments on the second and third floors.

### Middletown's \$1.27M apt. sale



142 S. Main St., Middletown.

A 19-unit Middletown apartment community, directly across from Middlesex Hospital and in the shadow of Wesleyan University, recently sold for \$1.265 million, brokers say.

AMDS Management LLC sold the property at 142 South Main St. to buyer South Main Apartments LLC, said seller's broker Marcus & Millichap.

The South Main apartments opened in 1967, offering all one-bedroom units. The property features gas-fired heat and hot

water included in the rent, off-street parking, elevator, remote/entry and intercom system, and an on-site laundry room.

### Grodsky's Middletown lease

Mechanical-contractor The Grodsky Companies has leased 16,000 square feet at 299 Industrial Park Road in Middletown.

Twenty Lexington LLC owns the 27,500-square-foot industrial facility on 2.42 acres.

Colliers International represented Grodsky; Regions Commercial represented the landlord in the lease.

### DataBind's Enfield space

DataBind Corp. has leased a 24,866-square-foot Enfield industrial facility for its punching, binding and laminating-system operations, its broker says.

Tri Town Leasing LLC owns the building on 2.04 acres at 89 Moody Road.

Sentry Commercial was the sole broker in the lease.

### Vernon's Loom City Lofts full



(Top) Loom City Lofts, 215 E. Main St., Vernon.  
(Bottom) Artist's sketch of commercial space at Vernon's Loom City Lofts.

The Loom City Lofts in Vernon's Rockville section say their 68 apartments in a converted textile mill are fully occupied.

Meantime, work is underway on the project's final phase, creating 6,000 square feet of first-floor commercial space at the former Roosevelt Mill, 215 East Main St., to be available in early October, according to the developers/landlords. The mill closed in 1988.

Hartford landlord Marc S. Levine and Westport architect Joseph V. Vallone are Loom City's partners. Levine's downtown Hartford developments include Temple Street and The Lofts at Main and Temple, and the Art Space live/work apartments. He also has overseen several suburban developments.

Construction on Loom City began in Oct. 2014. The total development price tag is around \$19.75 million, the developer's said.

Living units include studio, one- and two-bedroom units ranging from 581 square feet to 1,329 square feet, and rents from \$850 to \$1,600 per month.

*Deal Watch wants to hear from you. E-mail it, along with contact information to: [gseay@HartfordBusiness.com](mailto:gseay@HartfordBusiness.com). Gregory Seay is the Hartford Business Journal News Editor.*

► from page 1

# Casinos eye skill-based gaming

controllers familiar to Gen Xers and Millennials. Other vendors offered slot-machine variations that allow players a level of choice mixed with chance. Among those are virtual sports — realistic-looking animations that allow the bettor a choice of which side to back but delivers results driven by the same random number generator logic as a slot machine.

At the extreme edge of skill-based gaming are virtual-reality games. A player enters a small glass or fabric cube and plays a classic shooting game, blowing away zombies or oncoming hordes of mediaeval archers. Another variant offers a deep sea dive complete with menacing sharks and a sunken ship to explore for treasure.

Ray Pineault, president and general manager of Mohegan Sun, said he isn't sure which games would be coming to his casino floor, but he felt sure some would appear "within this fiscal year," meaning before Sept. 30, 2017.

Both resorts had teams in Las Vegas for the show.

Casino operators feel different senses of urgency. Melissa Price, vice president of gaming strategy at Caesars Entertainment, set the tone by saying "the platform is burning." Caesars signaled its sense of urgency by signing agreements with both Gamblit Gaming and Game Co. to deliver skill-based games starting this fall.

Skill-based games have been approved by regulators in Nevada and New Jersey.

At one end of the spectrum are pure skill events like a basketball free-throw shooting contest held this summer in New Jersey or golf hole-in-one contests being discussed by several resorts. They pose a logistics burden for operators and monetization opportunities seem limited.

The most promising format for operators involves video-driven games — like Game Co.'s Danger Arena shooter game — that fit in space similar to a classic slot machine. Payoffs are based on the skill of the player and the expectation is a similar return for the house from a whole new generation of gamblers.

For Felix Rappaport, CEO of Foxwoods, the key is developing a portion of the casino where this new wave of players will feel at home. He said his sprawling facility is well suited for hosting unique venues for Gen X and Millennial players, who have different tastes. The closest parallel would be the smoke-free areas carved out in most resorts.

The push to accommodate a younger audience extends beyond the casino floor.



PHOTO | HBJ FILE PHOTO

Entertainment offerings are a major factor and both resorts are working to offer an eclectic mix of acts. But one new entertainment event offers both unique challenges and opportunities.

Both Rappaport and Pineault report looking at building venues to host e-sports, which has become a Millennial phenomenon driven by network television in much the same way ESPN created the X Games to lure a Gen X audience. E-sports involve teams of gamers competing in classic video games in front of a crowd in an arena setting.

Neither executive is eager to embrace the headaches that may come with running a team in an e-sports league, but both are racing toward providing venues for e-sports tournaments. There are regulatory issues around betting on games, but there's no doubt drawing crowds of Millennials to the property presents valuable marketing opportunities for restaurants, bars and merchandise sales.

Both executives acknowledge "engaging" with regulators about expanding the range of their offerings and neither has felt resistance so far.

## Generational gap

Ultimately, the winning strategy may come down to understanding the similarities and differences between Gen X and Millennial players.

During two seminars on the topic at the gaming convention, Chuck Underwood, founder of The Generational Imperative Inc., outlined the experiential differences that have helped shape the generational tastes.

GenXers, now age 35-51, grew up amid scandals in corporate, government and sports institutions. They emerged as self-reliant and distrustful. They seek more control of their experiences.

Millennials, 18-34, grew up with game controllers in their hands but are mired in record levels of student and credit-card debt. Today, they are largely value players who are looking for a social experience.

In the next few months, look for Foxwoods and Mohegan Sun to experiment with finding the right mix of strategies to attract these new players while not alienating the cash-rich Baby Boomers. ■



PHOTO | CONTRIBUTED

Ray Pineault, president and general manager of Mohegan Sun.

## Foxwoods' master plan could invest 'hundreds of millions'

PHOTO | CONTRIBUTED



Foxwoods could get a major facelift if the casino approves a new master plan.

Big changes may be coming to the Foxwoods campus in Mashantucket.

The executive team has presented a proposed master plan to the tribal council that could result in "hundreds of millions of dollars in investments," according to Felix Rappaport, CEO of Foxwoods.

Rappaport cautions that the council is expected to take a long and thoughtful approach to the proposal and that approval of any element is a ways off. But, he said, among the proposals are:

- A 3,700-foot zipline that would carry guests from the top of a hotel tower,

over a wooded area, to a clearing at speeds approaching 65 miles per hour;

- Reimaging of a lake on the property, turning it into an activity center with kayaks and canoes;
- A repositioning of the resort to encourage eco-tourism, making better use of the 100-plus-acre property's natural beauty.

The master plan seeks to position the resort to maximize its natural resources to attract a mix of generations as Foxwoods readies itself for the day when Baby Boomers are no longer the main revenue source.

— Norm Bell

► from page 1

# PCBs found on UConn's W. Hftd campus

in a recent interview he's been in private discussions with legislators as well as potential donors for much of the year. He said private donations, as well as showing lawmakers a recent improvement in the museum's financial position and convincing them the trend will continue, will be crucial to gaining support.

"We hope for meaningful pledges as we head into January," Werle said. "It's very ambitious, but if we keep our nose to the grindstone, we think we can do it."

While \$15 million is a drop in the bucket compared to the \$2 billion or more the state has been borrowing annually in recent years, the museum's request would also come during a legislative session in which lawmakers are projected to grapple with a \$1 billion deficit for the coming fiscal year.

The museum has advantages. For one, West Hartford is a relatively wealthy community, which could make private fundraising easier. The town is also represented by Sen. Beth Bye, a Democrat who chairs the powerful Appropriations Committee. The museum is hoping they can count on Bye to advocate on its behalf in the upcoming session.

Asked about the museum's hopes, Bye released the following statement last week:

"Like all projects, I am happy to discuss this with them. The Museum has been in touch with my office, and I have seen their plans, but I have not made any request for any bonding money on behalf of the Museum. I will continue to work with West Hartford residents, town officials and the Museum as the conversation continues about how to best use the former UConn campus."

JCJ Architecture President Peter Stevens, who chairs the museum's board of directors, said the museum is fully aware of the fiscal challenges legislators face in the coming year.

"I know we're going to have to pull our weight to a certain extent," Stevens said. "We're looking to the state for some kind of indication of the value of the museum relative to its benefits to the community."

He said the fact that the museum in fiscal 2016 grew its revenues by 27 percent, to just under \$2 million, and booked its first operating surplus — around \$40,000 — in eight years, will be an important selling point for potential public and private investors.

"We need to sustain that position," he said. "They won't want to make that commitment to an institution that won't be around five years from now."



PHOTOS CONTRIBUTED

The Children's Museum's exhibits and events cater to youngsters in kindergarten through middle school.

Like some other nonprofit museums and institutions in the state, the Children's Museum has never received a line item in the state budget to help cover its operations. It has received state support in the form of grants for exhibits and other initiatives.

Exhibits, designed mainly for kindergartners through middle schoolers, range from an iconic 60-foot sperm whale replica named Connie, the Lizard Lair, an interactive timeline about Mars, among many others.

Though it plans to wait until after the Nov. 8 election to intensify its push, the museum has circulated petitions online and in person, receiving nearly 1,100 signatures urging local and state leaders to facilitate a move to the campus.

## Contamination complication

Besides the money-raising challenge, there are also no guarantees the museum will be able to build its new facility on UConn's West Hartford campus. Several things still need to happen, including the town finalizing its \$5 million purchase of the property, which got more complicated after a recent environmental-contamination discovery. The property sale was supposed to close next year, but the town recently asked UConn to extend the due diligence period to better determine the extent of the cleanup and potential costs.

"There's a potential wrench," said West Hartford Town Manager Ron Van Winkle. "I

wouldn't say the sale is uncertain, but we need more information."

UConn spokeswoman Stephanie Reitz confirmed that the contamination was PCBs, a toxin widely used in building construction until the late 1970s, that's since been linked to cancer in animals and various health effects in humans, depending on exposure levels.

A UConn consultant is preparing a report on the contamination, which is expected by month's end. PCBs were found in window caulking, a portion of soil and an area of a basement, she said.

"... Both UConn and the consultant are confident that the PCBs identified by the town will present no health risk to students, faculty and staff, or the public because the location and condition of the PCBs does not present a pathway to human exposure," Reitz said.

West Hartford, which has already paid UConn \$250,000 under its sale agreement, would owe another \$750,000 at the end of a due diligence period on Oct. 12. But now it has asked UConn to extend that deadline, due to the PCB findings.

Reitz said UConn will work with the town to extend the deadline by two months.

Werle hopes the contamination won't present major complications to the museum's proposed plans or complicate its fundraising efforts.

Even with the newly disclosed discovery, he said the eastern portion of the campus (across the street where a parking lot and baseball field are located) remains a viable option for the

museum to construct a new facility with 25 percent more floor space and the option to add more.

The museum, of course, would also need West Hartford's approval — if the town does take ownership of the campus — before it could build there. The town could seek other development opportunities for the property as well.

"I don't see it as a show stopper," Werle said when informed of the contamination last week, adding he believes state and town officials will want to move quickly to develop the property.

## Making the case

The Children's Museum sold its property to the neighboring Kingswood Oxford School in 2003 and has been leasing it since.

Its current lease expires next summer. Kingswood Oxford may have future plans for the property that it hasn't revealed publicly, but the school has been accommodating and flexible in renewing the museum's lease and hasn't given any ultimatums, Werle and Stevens said.

"I doubt [Kingswood Oxford] is going to throw us out of here, but we can't afford to stay here much longer," Werle said. "It's costing us too much."

A Kingswood Oxford spokesperson did not respond to a request for comment.

For the museum, annual maintenance costs have ranged from \$50,000 to more than \$100,000 over the past few years, Werle said. One recent major expense was a roof replacement, and anticipated needs include new boilers, windows and other systems. The museum is also not fully handicap accessible.

Those types of long-term infrastructure investments make less financial sense if a move is several years off.

"You can't do a two-year replacement roof," Stevens said. "They don't make those."

Stevens, who has been on the board since 2012, said the museum has remained in place because it wasn't able to find what it saw as the right property, and because the 2008 recession weakened its fiscal position.

He said the board has looked at properties outside of West Hartford, but prefers to stay in town.

When it became clear in 2012 that UConn intended to vacate its campus to move to downtown Hartford, the museum saw what could be one of the only viable sites in a town where real estate comes at a premium.

"We know this is the right place for this family and child-oriented entity," Werle said. ■

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## TOP EXECUTIVE

**Richard J. Porth**, President & CEO

## SERVICES

Health and human services and child-care programs.

## FY 2015 SUMMARY

	2014	2015
<b>Total Employees</b>	231	255
<b>Total Assets</b>	\$4,489,387	\$4,563,689
<b>Total Liabilities</b>	\$2,660,168	\$2,612,288
<b>REVENUES</b>		
<b>Contributions &amp; Grants</b>	\$13,820,388	\$16,078,063
<b>Program Service Revenue</b>	\$638,897	\$577,590
<b>Investment Income</b>	\$0	\$0
<b>Other</b>	\$36,235	\$45,713
<b>TOTAL</b>	<b>\$14,495,520</b>	<b>\$16,701,366</b>
<b>EXPENSES</b>		
<b>Grants</b>	\$0	\$0
<b>Member Benefits</b>	\$0	\$0
<b>Salaries/Employee Benefits</b>	\$10,735,505	\$11,535,537
<b>Fundraising Fees</b>	\$0	\$0
<b>Other</b>	\$3,526,306	\$5,043,647
<b>TOTAL</b>	<b>\$14,261,811</b>	<b>\$16,579,184</b>
<b>MARGIN</b>	<b>\$233,709</b>	<b>\$122,182</b>

## TOP PAID EXECUTIVES (FY 2015)

	Base Salary	Total Compensation & Benefits
<b>Richard Porth</b> , President/CEO	\$178,837	\$217,330
<b>Leo Pellerin</b> , Chief Information Officer	\$128,744	\$162,236
<b>Cheryl Sutera</b> , SR VP Child Care	\$123,133	\$155,881

SOURCE: GUIDESTAR IRS 990 TAX FORM

Led by UConn, a higher education alliance focused on expanding diversity in STEM fields has received \$3.5 million for its work from the National Science Foundation.

The seven New England schools that make up the Northeast Louis Stokes Alliance for Minority Participation (NELSAMP) will use the five-year grant to continue developing a pipeline to increase the number of underrepresented students in the science, technology, engineering and math (STEM) fields, said Maria D. Martinez, UConn's assistant vice provost of the Institute for Student Success.

In addition to UConn, which assumed a leadership role in the alliance this fall, the group is comprised of Northeastern University; Tufts University; University of Massachusetts, Amherst; University of Rhode Island; and Worcester Polytechnic Institute.

Founded in 2001, NELSAMP works to raise recruitment, retention and graduation rates for students from racial and ethnic minority groups who are pursuing STEM-related undergraduate degrees. Over time, enrollment in the alliance has increased from 1,000 to 3,800.

• • •

**Asnuntuck Community College** received a three-year, \$227,600 grant from the **Hartford Foundation for Public Giving** to support employment and job-training programs for low-income students.

The grant will support a full-time Success Coach to work with SNAP Employment and Training Program students, provide student support funds, and develop and implement a computer literacy class.

• • •

**Fidelco Guide Dog Foundation** has been awarded a \$435,000 grant from the **U.S. Department of Defense** to provide its elite German Shepherd Guide Dogs to service members or veterans.

This grant follows an initial grant award of \$106,000 received in 2015.

• • •

The Collection Digitization and Universal Access Project at the **Connecticut Historical Society** (CHS) has received a \$300,000 grant from the **Hartford Foundation for Public Giving**.

The award will allow the CHS to hire staff to help preserve photographs, maps, manuscripts, documents and other printed and recorded materials onto digital formats.

• • •

**The Governor's Prevention Partnership** and **Hartford Public Schools** received a \$140,000 grant from the **Connecticut Commission on Community Service** to address chronic absenteeism at Simpson-Waverly School in Hartford.

The funds will provide additional student supports, including mentoring, tutoring and parent engagement.

• • •

**SI Financial Foundation Inc.** recently awarded \$5,000 to **Horizons Inc.** in support of its Now More Than Ever Project.

The project allows Horizons to continue providing recreational opportunities for individuals who have developmental disabilities and equally valuable respite opportunities for their families.

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-Cheryl Strayed, author of Wild

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## MOVERS & SHAKERS



Grant S. Smith



Brian W. Fischer



Ronald E. Sullivan Jr.



Dr. Mary A. Bailey



Samantha VanSchoick



Kristofer Kennedy



Diane Verdi Lukomski



Alexandra Klima

### Hartford Steam Boiler CEO to lead United Way campaign

United Way of Central and Northeastern Connecticut has named **Greg Barats** chair of the organization's 2016 fundraising campaign. Barats is president and CEO of The Hartford Steam Boiler Inspection and Insurance Co. (HSB), part of Munich Re, with overall responsibility for HSB's insurance and engineering operations worldwide.

Barats also chaired the 2015 United Way Campaign, helping to raise more than \$22 million for the community. He becomes the first two-time campaign chair in United Way's history.

### CT Wealth Management appoints junior financial adviser

Connecticut Wealth Management, a registered investment adviser in Farmington, has appointed **Kailee Donovan** as a junior financial adviser. She will be responsible for providing financial planning and investment advisory services for clients and their families.

Prior to joining Connecticut Wealth Management, Donovan was a social-studies teacher at Simsbury High School.

### Connecticut Data Collaborative adds specialist

The Connecticut Data Collaborative (CT Data), a public-private partnership that advocates for the public availability of open and accessible data, announced the hiring of **Rachel Leventhal-Weiner** as its data engagement specialist.

Leventhal-Weiner will oversee, in partnership with the state's chief data officer, the CT Data Academy, which is the newest public education initiative to build data literacy and data capacity in state agencies, nonprofits and community organizations.

### Wadsworth hires development director

The Wadsworth Atheneum Museum of Art has hired **Grant S. Smith** as director of development following a national search.

Smith's most recent position was director of major and leadership gifts at the University of Hartford, where he supported the Barney School of Business and the College of Education, Nursing and Health Professions by managing a portfolio of 150 donors and prospects, and leading a major gifts team that raised more than \$2 million last fiscal year.

### Murtha Cullina names Hartford associate

The business and finance department of Murtha Cullina LLP has hired **Brian W. Fischer** as an associate in the firm's Hartford office.

Fischer practices in the areas of mergers and acquisitions, private equity, emerging companies and venture capital investments, banking and securities

law. He counsels corporations, limited liability companies, partnerships, officers, directors, board committees and stockholders in connection with a wide variety of transactional and advisory matters.

### Federman, Lally & Remis adds tax manager

**Ronald E. Sullivan Jr.** has joined Farmington accounting firm Federman, Lally & Remis LLC as a tax manager. Sullivan was previously tax manager at Burzenki & Co. PC in East Haven.

### St. Francis Hospital adds specialist in neurology, MS

**Dr. Mary A. Bailey** has joined the medical staff of St. Francis Hospital and Medical Center as a specialist in neurology and multiple sclerosis at the Mandell Center for Multiple Sclerosis at Mount Sinai Rehabilitation Hospital.

Bailey received fellowship training in multiple sclerosis at Yale-New Haven Hospital's department of neurology. She is board certified by the American Board of Psychiatry and Neurology in neurology.

### Steffian Bradley Architects announces three promotions in Enfield office

Steffian Bradley Architects (SBA) has promoted **Samantha VanSchoick** to marketing manager, and **Kristofer Kennedy** and **Diane Verdi Lukomski** to associates.

VanSchoick has been with SBA for three years, most recently as marketing coordinator.

Kennedy serves as SBA's sustainability chair and leads the firm's commitment to the energy reduction of SBA projects through the American Institute of Architects 2030 Commitment.

Verdi Lukomski has nine years of experience working on a range of project types, including education and health care.

### Glastonbury marketing firm adds to staff

Glastonbury independent marketing communications agency Cronin and Co. LLC has hired **Alexandra Klima** as a digital and analytics strategist on its media and analytics team. Klima previously worked for Evariant in Farmington.

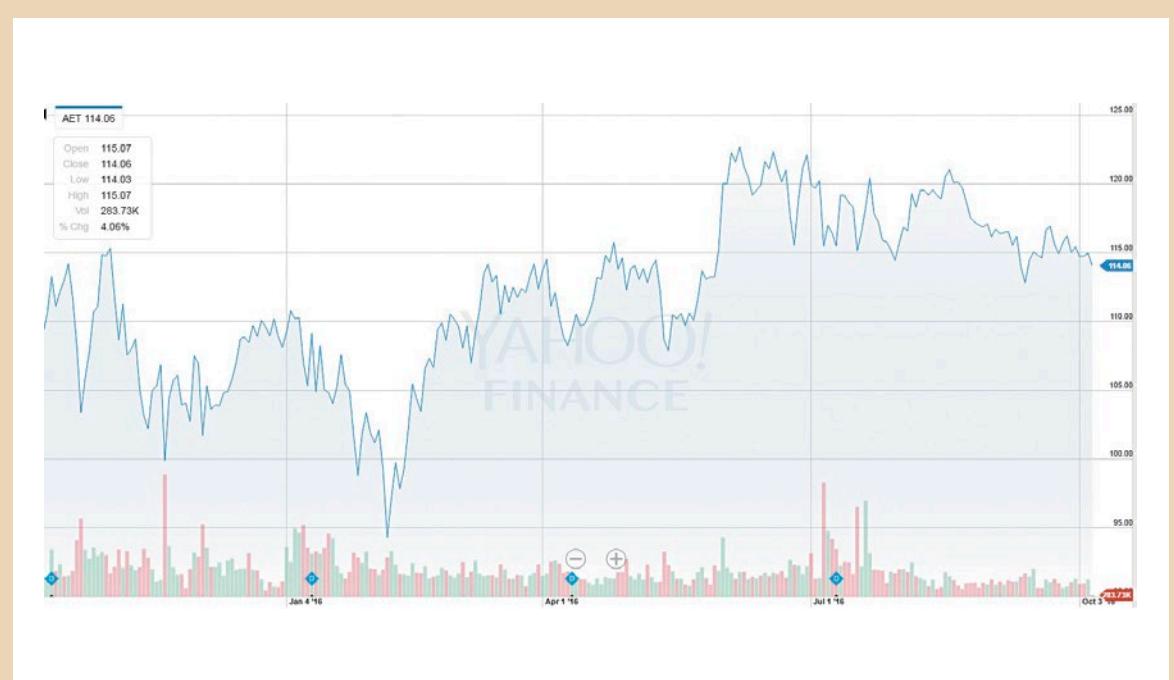
### Trinity Health-New England names regional marketing, government relations VP

Trinity Health-New England has named **Joseph T. Connolly** as regional vice president of marketing/communications and Connecticut government relations.

Connolly has been a member of the St. Mary's Hospital management and leadership teams in Waterbury since 2003 and served most recently as vice president, administration and chief experience officer (CXO). He also serves as a professor of marketing at the University of Connecticut.

**Aetna**151 Farmington Ave., Hartford | [www.aetna.com](http://www.aetna.com)

Aetna Inc. is a healthcare benefits company that operates through three segments: health care, group insurance and large-case pensions.

**Top Executive:** Mark T. Bertolini, Chairman/CEO**FACT BOX****Industry:** Healthcare plans**2Q 2016 Revenue:** \$15.95B**4Q 2015 Net Income:** \$790.8M**Quarterly Profit Change:** \$59M**Cash:** \$17.1B**Employees:** 50,100**Competitors:** Anthem  
UnitedHealth Group  
Cigna Corp.**TOP INSTITUTIONAL INVESTORS**

Holder	Shares	% Stake
Price T. Rowe	32,438,338	9.25
Vanguard Group Inc.	21,250,853	6.06
State Street Corp.	21,194,695	6.05

**STOCK WATCH (as of 11 a.m. Oct. 6)**

**Ticker Symbol:** AET    **Stock Price:** \$114.05    **Market Cap:** \$40.01B  
**52 Week Range Price:** \$92.42–\$123.57    **Outstanding Shares:** 350.8M

**CORPORATE SUITE**

Executive	Title	Salary	Bonus	Stock Awards	Non-equity Incentive	Total
Mark T. Bertolini	Chairman/CEO	\$1,034,483	\$0	\$5,970,103	\$1,840,000	\$17,262,879
Karen S. Lynch	President	\$919,828	\$0	\$1,500,063	\$1,728,000	\$7,758,788
Gary W. Loverman	EVP/Consumer Health Services	\$137,990	\$0	\$4,200,104	\$319,550	\$8,005,714

## Vote now for the area's top B2B companies!

The Hartford Business Journal wants to know and is asking you to vote on the region's best B2B companies in our first Best of Business competition. We're conducting an Online Reader's Poll where you can vote for companies in over 90 categories!

The winners will be unveiled in the December 12, 2016 issue of the Hartford Business Journal in print and online and honored at a special networking reception in January 26, 2017 at The Marquee in Hartford.

Go to  
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to place your votes today!

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**Who are the best business-to-business companies in Greater Hartford?**

## EDITORIAL

# Larson's \$10B tunnel vision intriguing, but worrisome

**C**onnecticut and Hartford in particular are in need of bold visions and Congressman John Larson's \$10 billion plan to put I-84 and I-91 in tunnels to ease traffic congestion and open up Hartford to the Connecticut River, certainly qualifies.

Larson recently unveiled his unexpected proposal to the Hartford Courant, outlining what he called a "100-year vision for the region" that would create two tunnels: one replacing the I-84 stretch connecting Hartford to East Hartford; the other where I-91 currently runs along the Connecticut River.

We applaud Larson for his bold thinking — although it's not totally an original concept (his Republican opponent in this year's election, Matthew Corey, told the Courant he pitched the same idea two years ago) — and certainly agree that interstate highways, particularly I-84, have harmed the Capital City by dividing Hartford's neighborhoods and cutting off access to the Connecticut River.

Traffic congestion is also a problem as the aging highway system carries more passengers today than it ever intended to serve.

But Larson's plan raises numerous concerns and questions. The timing is also suspect, considering the state Department of Transportation — after years of planning and input from various stakeholders, including the business community — recently ruled out building a tunnel to replace the I-84 viaduct through Hartford, because it's too expensive.

Most concerning is the price tag. Larson said he'd like to get federal funds to help pay for his tunnel plan, but federal transportation funding, much like the state's, has become anything but reliable in recent years. If the federal government remains divided after the November elections, it would make it harder to stir bipartisan support for such a major infrastructure investment.

To Larson's credit, he has been actively lobbying Republican U.S. Rep. Bill Shuster, who chairs the House Transportation and Infrastructure Committee and is reportedly open to the tunnel plan. But securing billions of dollars would be a tough slog, particularly when real highway spending per mile has fallen 50 percent in the U.S. since the 1950s, according to the National Surface Transportation Infrastructure Financing Commission.

Meantime, Connecticut's budget constraints are well documented and state DOT officials in June ruled out building a tunnel to replace the I-84 viaduct because the \$10 billion to \$12 billion price tag was unaffordable.

Instead, DOT officials largely settled on a lowered highway alternative, which would entail complete reconstruction of I-84 at ground level or slightly below. The cost would be as high as \$5 billion.

Additionally, one of the key ways Larson wants to finance the tunnel construction is by adopting tolls at each tunnel entrance. We think that's a bad idea.

While we don't completely reject the adoption of tolls in Connecticut, placing them in the Capital City would only encourage people to avoid Hartford, which is the complete opposite of what this investment would intend to do. If lawmakers were to adopt tolls they should be placed at Connecticut's borders so that out-of-state travelers who consistently use our roads and bridges pay their fair share of the maintenance costs. Placing tolls in Hartford would punish mostly Connecticut residents who work in the city, and raise the costs to employers who have made it widely known in recent years that Connecticut is already an overly expensive place to operate.

We applaud Larson for thinking big and bringing the two-tunnel idea to the table, however we wish he did it years ago in conjunction with the state DOT's planning to replace the viaduct. If Larson can get the federal government to shoulder a large portion of the construction we'd certainly want to learn more. Until then, Larson's plan will remain a pipe dream. ■

## OTHER VOICES

# Small business is no Sikorsky

By Andrew Markowski

**W**e recently saw state lawmakers overwhelmingly approve a deal to entice Sikorsky Aircraft to remain in Connecticut valued at a dramatic \$220 million. That's a lot of hard-earned taxpayer dollars to ensure that another large corporation does not depart Connecticut like General Electric did.

Unfortunately, the agreement that passed the legislature during the special session did nothing to address the underlying impetus causing employers to explore states outside of ours. And lately, Hartford's only response to these situations has been to spend more money that the state does not have in hopes of staving off continuing job and revenue loss.

Sikorsky departing would have dealt a tremendous blow to our economy on all levels. Not only would thousands of jobs have been lost but small businesses would have felt the ripple effect as supply chains would dry up and customers along with revenue would be lost. The company's decision to stay should not be taken lightly, however, neither should the cost of keeping them here.

Once again we see lawmakers put in the unenviable position of deciding which sectors and businesses should "win" and therefore others "lose" as they use tax dollars instead of carrots to keep large employers in place. But what about the state's largest employer, small business owners? What incentives is state government providing to ensure that they do not pack up and head to greener economic pastures? While the answer for some may be that the state doesn't do nearly enough, the bottom line is that most small business owners don't seek out such assistance either. All they seek is a stable environment that is conducive to success and provides room to thrive.

Unfortunately, and frustratingly so for many small business owners, there are indeed times when it is necessary to provide incentives to companies in order to compete with neighboring states; thus is the nature of the economic development "arms race" states find themselves in today. But how effective, or sustainable, is this economic hunting as opposed to economic gardening? This deal was an incredibly expensive yet easily avoidable solution to a problem that was created by a state government with a spending problem. Call it a \$220 million manifestation of a refusal by elected officials to act on the warnings of the business community that over regulation and burdensome taxes are simply unsustainable for employers of a variety of sizes.

The numbers speak for themselves; people are leaving Connecticut and taking their tax dollars with them. We have fewer small

business owners and fewer jobs and for those still fighting to survive here, fewer customers to appeal to. We are losing on average 1,000 small businesses a year and each time that one closes up shop, jobs are lost and communities are left with a void. And yet week after week, we see another national ranking that places Connecticut at the bottom of the barrel. Whether it is tax burden or business climate, we have become a poster child for what not to do in order to improve an economy.

Some politicians would decry business owners and advocates who point out these national statistics as being overly pessimistic, rooting for failure, or bemoan them for failing to adapt to changing times. However, the reality could not be further from the truth. Small employers inherently take risks, make changes and ultimately will sacrifice whatever necessary to ensure their doors remain open. Their very nature is to work hard and ask for little in return but they do ask for a fair playing field and a certain level of predictability.

At the moment in Connecticut, the only continuity in our economy is lackluster performance and bleak economic forecasts. Small business owners feel the deck is stacked against them when it comes to maneuvering the bureaucratic maze of state government and that hiring additional people is more expensive and burdensome than necessary.

The good news is that incentivizing most small business owners does not require tax dollars or complicated legislation. Getting state government's own fiscal house in order will not only help retain businesses, both large and small, but it will encourage new growth and increased entrepreneurship. By focusing on reduced state spending, and therefore fewer tax increases and a lower cost to do business, certainty will increase right along with the jobs that are created.

When lawmakers stop spending the hard-earned money of small business owners and imposing new labor mandates, in return they will see employers investing in their own places of business. Whether it's hiring additional workers, buying new equipment or expanding their scope of sales, everyone wins when small business owners can grow. Hundreds of millions of dollars are not necessary to provide the state with economic growth and the chance to finally prosper.

Sikorsky remaining in Connecticut comes at a high price and hopefully with equally high results, but without backing up the deal with legislative changes for the rest of the business community, it alone will not be enough to improve our overall economic conditions. Let's root for success for Sikorsky, of course, but don't let it end there. Let's all remember to root for success for our state's largest employer, small business. ■

**► Small business owners feel the deck is stacked against them when it comes to maneuvering the bureaucratic maze of state government.**

## HARTFORDBUSINESS.COM POLL

Is U.S. Rep. John Larson's \$10B Hartford tunnel project a good idea?

- Yes
- No

To vote, go online to [HartfordBusiness.com](http://HartfordBusiness.com).

**Last week's poll results:**  
Do you plan to use Aer Lingus' trans-Atlantic flight out of Bradley?

- 77.1% Yes  
22.9% No

*Andrew is the Connecticut state director of the National Federation of Independent Business.*

# Tips for tackling collective-bargaining negotiations

By Christina A. Danforth

The campaign is over. The votes are in. Your employees have chosen to unionize. It's time to undertake the arduous task of building and maintaining a collective-bargaining agreement (CBA). What does this mean exactly? Where do you begin?

Here are the five key concepts you need to know about the creation and implementation of a CBA.

**1. It's nothing new.** Collective Bargaining is the tool or method used for establishing an agreement between employees and an employer. If your workforce is now a union, it means they want to use the tool for negotiating the terms and conditions of the employment relationship. This form of employee collaboration has existed since before the late 19th century. It is nothing new and we should not be fearful of it.

According to the AFL-CIO nearly 30,000 collective-bargaining agreements are negotiated each year. The Department of Labor provides an overview and examples of collective-bargaining agreements on its Office



Christina A. Danforth

of Labor-Management Standards' Collective Bargaining Agreements page.

**2. Understand the laws.** It's important for both the union and employer to understand the guidelines set forth by key federal legislation. First, the National Labor Relations Act (NLRA) passed in 1935. Also referred to as the Wagner Act, it was foundational to U.S. labor law. The rights and roles of employers, employees and unions are defined and protected by the act.

It guarantees employees the right to organize and bargain collectively with employers through their own representatives. It also eliminated certain practices referred to as "unfair labor practices" or ULPs. For example, an employee may file a ULP complaint against a company for prohibiting them from joining a union.

Another important law is the Labor Management Relations Act of 1947 or the Taft-Hartley Act. It was a revision of the NLRA adding new language to give employees the right to refrain from participating in the union. The law also added a list of prohibited unfair labor-union practices.

**3. Get training.** There is a wealth of information online to educate yourself, your leadership team and employees. Resources from the Department of Labor can assist with understanding the process. And working with an employment lawyer will help keep everyone compliant.

However, to prepare for the actual meeting

between union and management, consider hosting a mock negotiation session. A mock negotiation allows participants an opportunity to experience a negotiation before actually going through it. The Cornell University Library has a guide to mock bargaining that'll give all appropriate participants practice.

**4. Build the relationship.** Since employees have decided to unionize, the relationship with the employer may be under stress. It's at this time energy must be focused on building a relationship with the soon-to-be elected union officials.

Communication, especially listening, is vital to building rapport. Being open and available on a day-to-day basis is also essential for collaboration. The goal should be for all parties to function as a team.

**5. Remember it's all perspective.** What may be most important is remembering perspective. Whether you are the employee, employer or union official, a benefit to one party may be seen as a drawback for another. Thus the pros and cons may actually be the same depending on the point of view. Higher wages are probably an issue for the employer but is certainly a win for the union. Understanding perspectives can significantly help with holding a smooth negotiation and developing a fair agreement. ■

*Christina A. Danforth is vice president/director professional development for the Human Resource Association of Central CT.*



## Send Us Your Letters

The Hartford Business Journal welcomes letters to the editor and guest commentaries for our opinion pages. Electronic submissions are preferred and welcome at: [editor@HartfordBusiness.com](mailto:editor@HartfordBusiness.com).

## BIZ BOOKS

# Strategies to solve your toughest problems at work

**M**anaging in the Gray—5 Timeless Questions for Resolving Your Toughest Problems at Work" by Joseph L. Badaracco (Harvard Business Review Press, \$35).

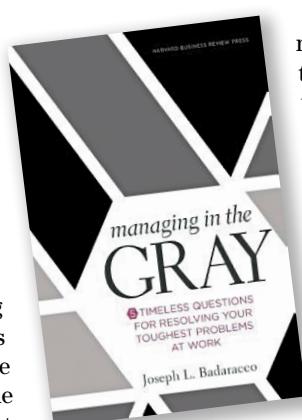
With so many internal and external variables involved, many business decisions aren't black and white choices. In such situations, judgement (i.e. balancing the analytical and human sides of decisions) comes into play when "making the call." Badaracco offers "tools for judgement" in the form of five questions to answer when faced with challenging decisions:

**1. "What are the net, net consequences?"** The standard mostly analytical approach to decision-making says look at options, assess their likely outcomes (i.e. solve the problem) and try to find the best option. Badaracco's "net, net" takes the process deeper on the human side of options by asking "what you will be doing for other people and to other people." The answer forces you to think about consequences of choices — both inherent and unintended.

**2. "What are my core obligations?"** A manager's duties include maximizing economic return to the firm. That said, a



Jim Pawlak



manager should recognize that tradeoffs must be considered when it comes to the impact on employees. They aren't machinery; employees are the intellectual capital that's the backbone of every business. They trust that they will be treated fairly. Trust, once lost, is difficult to regain. As such, take a "future" view of the impact of decisions on staff. "Throwing the baby out with the bathwater" will impede future growth.

**3. "What will work in the world as it is?"** George Doriot, widely regarded as "the father of venture capital" gave managers this advice: "If you have to choose between a great strategy with a good action plan and a good strategy with a great action plan, you should pick the second option. Keep asking what choices deal best with the reality of execution."

► **Gray-area problems are the core of a manager's work. Successfully dealing with them sends an 'I'm ready for the next challenge' message to your boss.**

In that regard, Badaracco points out the decision-making process can be colored by the self-interest, power and authority of others. The "coloring" process starts with their initial input, continues through selection of alternatives and influences the final decision. Because outcomes always depend upon buy-in, managers should assess the perspectives of the others early on and find ways to address their interests throughout the process. It's about showing others that organizational win doesn't mean a loss for them.

**4. "Who are we?"** Stressing the "we" reminds managers that all decisions affect working relationships. They were built upon a shared past, and with an eye on a shared future. Managers work hard to ensure that everyone's on the same page. While the "same page" results in strong relationships, it can cause problems when making gray-area (i.e. have to turn the page) decisions. Because of team strength, a manager has to consider "which norms and values matter most"

throughout the decision-making process.

Badaracco makes this point with this example: There's a burning building. On one side is your child; there are three children on the other side. You can't save them all. Whom do you sacrifice?

**5. "What can I live with?"** Gray areas come with difficult choices and trade-offs. The answers to the first four questions form a foundation for sound decisions — "on the basis of a manager's convictions, judgement, and a sense of what's right for the organization in a particular set of circumstances." The answers also define what's at stake and the challenges of problem resolution when there are numerous stakeholders.

Remember: "Gray-area problems are the core of a manager's work." Successfully dealing with them sends an 'I'm ready for the next challenge' message to your boss. ■

*Jim Pawlak is a nationally syndicated book reviewer.*

## ACCOLADES & MORE



### OF NOTE

#### AMENTA EMMA WINS INTERNATIONAL INTERIOR DESIGN AWARD

Hartford's Amenta Emma Architects was selected as a winner at The International Interior Design Association's 2016 Healthcare Interior Design Competition. Amenta Emma Architects' project, Reproductive Medicine Associates of CT (shown above), received an award in the Ambulatory Care Centers Medical Practices Suites category.

• • •

#### CT FUNERAL HOMES HONORED WITH NATIONAL AWARDS

Eight Connecticut funeral homes have earned national 2016 Pursuit of Excellence Awards from the National Funeral Directors Association for providing outstanding service to families and communities.

The recipients included: Carmon Community Funeral Homes, Windsor; D'Esopo East Hartford Memorial Chapel, East Hartford; D'Esopo Funeral Chapel, Wethersfield; Duksa Family Funeral Homes, New Britain; Duksa Family Funeral Home, Newington; Howard K. Hill Funeral Services, New Haven; Leo P. Gallagher & Son Funeral Home, Stamford; and Shaughnessey Banks Funeral Home, Fairfield.

**Please Note:** All electronic submissions for Accolades should be sent to [news@HartfordBusiness.com](mailto:news@HartfordBusiness.com). For more information about the Hartford Business Journal's Accolades Page, please visit [www.HartfordBusiness.com](http://www.HartfordBusiness.com).

## NUTMEG STATE FINANCIAL CREDIT UNION DONATES BACKPACKS AND SCHOOL SUPPLIES



► Nutmeg State Financial Credit Union has donated 50 backpacks filled with school supplies to children in Enfield. The supplies were donated to the nonprofit Educational Resources for Children that helps provide children in need supplies necessary to have a successful school year. Nutmeg State Financial Credit Union CEO John Holt is shown (second from left) with employees filling backpacks with supplies.

## FARMINGTON BANK SPONSORS DEVELOPMENT BREAKFAST



► Farmington Bank recently sponsored the town of Farmington Economic Development Commission's Breakfast Series held at the Farmington Club. The event drew over 200 guests and recognized Farmington's historical landmark, the Hill-Stead Museum, as well as the new Hartford Temple, which opens this fall. Farmington Bank CEO John Patrick (shown left) welcomed guests at the event.



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a special event featuring Dr. Edison Liu, President & CEO of The Jackson Laboratory and jazz pianist.

Thursday, November 3, 2016  
5:00 - 7:30PM  
The Jackson Laboratory

During this one-of-a-kind performance, Dr. Liu, who will be joined by JAX Assistant Professor Basile Tarchini on double bass, will take you on a musical sojourn through the worlds of art, music, and science.

Reserve your tickets today at [LetsGoArts.org/Concert](http://LetsGoArts.org/Concert).

*All proceeds benefit the Greater Hartford Arts Council's United Arts Campaign.*



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